

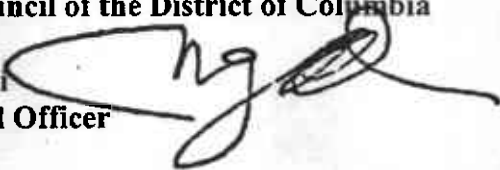
**Government of the District of Columbia  
Office of the Chief Financial Officer**



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Linda W. Cropp  
Chairman, Council of the District of Columbia

**FROM:** Natwar Gandhi   
Chief Financial Officer

**DATE:** MAY 31 2005

**SUBJECT:** Fiscal Impact Statement: "Use of Less Restrictive Income and Resource Criteria for Selected Medicaid Populations Approval Resolution for 2005"

**REFERENCE:** PR16-163

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**Conclusion**

Funds are sufficient in the Mayor's and Council's proposed FY 2006 through 2009 budget and financial plan to implement the proposed legislation. There are sufficient resources to fund implementation of this legislation, and the District may achieve modest cost savings as a result of this State Plan Amendment.

**Background**

The proposed State Plan Amendment (SPA) will allow the Income Maintenance Administration to use a standard resource limit for all categorical programs and put in place various program safeguards. Specifically, the proposed legislation will standardize the income and resources definitions among the Medicaid, Food Stamp, and TANF programs under the status quo, adopt a common resource standard for the Medicaid aged, blind, disabled eligibility groups as well as the Medicare Buy-In program, and eliminate the nominal resource test for children and families qualifying under the medically needy group. It will also establish a more comprehensive policy to address the sheltering of assets and transfers for less than fair market value as a means to retain Medicaid eligibility and benefits.

### **Financial Impact**

Funds are sufficient in the Mayor's and Council's proposed FY 2006 through 2009 budget because the proposed legislation will not require additional agency spending, and would result in modest cost savings to the District.